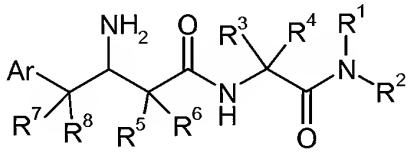
**In the Claims**

The listing of claims will replace all prior versions and listings of claims in the application.

**Listings of claims**

1. (currently amended) A compound of formula (I) or a pharmaceutically-acceptable salt thereof,



**(I)**

wherein:

Ar is phenyl optionally substituted with 1, 2, 3, 4 or 5 groups independently selected from $R^9$;

$R^9$ is selected from halo, (1-6C)alkyl **[[(]]**optionally substituted with 1-5 halo**[[)]]**, (1-6C)alkoxy **[[(]]**optionally substituted with 1-5 halo**[[)]]** and cyano;

$R^1$ is selected from hydrogen and (1-6C)alkyl;

$R^2$ is selected from hydrogen, (1-6C)alkyl, (3-8C)cycloalkyl, (5-12C)bicycloalkyl, (6-12C)tricycloalkyl, AR1, HET1, -(1-6C)alkylAR1, -(1-6C)alkylAR2, -(1-6C)alkyl(3-8C)cycloalkyl, -(1-6C)alkylHET1, -(1-6C)alkylHET2, -(1-6C)alkyl$CO_2$(1-6C)alkyl, -(1-6C)alkyl$CO_2$(3-8C)cycloalkyl, -(1-6C)alkyl$CO_2$AR1, -(1-6C)alkyl$CO_2$HET1, -(1-6C)alkylOCO(1-6C)alkyl, -(1-6C)alkylOCO(3-8C)cycloalkyl, -(1-6C)alkylOCOAR1, -(1-6C)alkylOCOHET1, -(1-6C)alkylCO(1-6C)alkyl, -(1-6C)alkylCO(3-8C)cycloalkyl, -(1-6C)alkylCOAR1, -(1-6C)alkylCOHET1, -(1-6C)alkylNHCO(1-6C)alkyl, -(1-6C)alkylNHCO(3-8C)cycloalkyl, -(1-6C)alkylNHCOAR1, -(1-6C)alkylCONH(1-6C)alkyl, -(1-6C)alkylCONH(3-8C)cycloalkyl, -(1-6C)alkylCON-di(1-6C)alkyl, -(1-6C)alkylCONHAR1, -(1-6C)alkylNH(1-6C)alkyl, -(1-6C)alkylN-di(1-6C)alkyl, -(1-6C)alkylNHAR1, -(1-6C)alkylNH(HET1), -(1-6C)alkylNH$SO_2$(1-6C)alkyl, -(1-6C)alkyl$SO_2$NH(1-6C)alkyl, -(1-6C)alkyl$SO_2$ (1-6C)alkyl, -$SO_2$(1-6C)alkyl and -(1-6C)alkyl$SO_2$N-di(1-6C)alkyl;

or

$R^1$ and $R^2$ may together with the nitrogen to which they are attached form a ring defined by HET1 or HET3; wherein a ring comprising $R^1$ and $R^2$ is optionally substituted by 1 or 2 substituents independently selected from halo, (1-6C)alkyl, halo(1-6C)alkyl, (1-6C)alkoxy, cyano, carboxy, carboxy(1-6C)alkyl, –CO(1-6C)alkyl, –$CO_2$(1-6C)alkyl, (1-6C)alkylamino, di-(1-6C)alkylamino, –NHCO(1-6C)alkyl, –CONH(1-6C)alkyl, -CONdi-(1-6C)alkyl and HET1;

$R^3$ and $R^4$ are independently selected from hydrogen, (1-6C)alkyl, (3-8C)cycloalkyl, (3-8C)cycloalkenyl, (5-12C)bicycloalkyl, -(1-6C)alkyl(3-8C)cycloalkyl, -(1-6C)alkyl(3-8C)cycloalkenyl, AR1, AR2, HET1, HET2, -(1-6C)alkylAR1, -(1-6C)alkylAR2, -(1-6C)alkylHET1, and -(1-6C)alkylHET2; or

$R^3$ and $R^4$ together form a ring as defined by (3-8C)cycloalkyl, AR2, HET1 or HET2;

$R^5$, $R^6$, $R^7$ and $R^8$ are independently selected from hydrogen and (1-6C)alkyl;

wherein any (1-6C)alkyl group within any definition of $R^1$, $R^2$, $R^3$, $R^4$, $R^5$, $R^6$, $R^7$ or $R^8$ is optionally substituted by 1 or 2 substituents independently selected from hydroxy and fluoro;

wherein any (3-8C)cycloalkyl, (3-8C)cycloalkenyl, (5-12C)bicycloalkyl or (6-12C)tricycloalkyl within any definition of $R^2$, $R^3$ or $R^4$ is optionally substituted;

AR1 is optionally substituted phenyl;

AR2 is an optionally substituted 8-, 9- or 10-membered, unsaturated, partially or fully saturated bicyclic carbocylic ring;

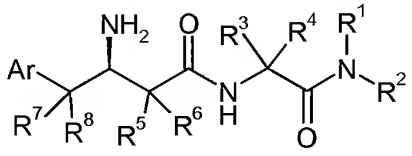
HET1 is an optionally substituted 3-, 4-, 5- or 6-membered, unsaturated, partially or fully saturated monocyclic heterocyclyl ring containing up to four heteroatoms independently selected from O, N and S, [[(]]but not containing any O-O, O-S or S-S bonds[[)]], linked via a ring carbon atom, or a ring nitrogen atom if the ring is not thereby quaternised, and wherein any available carbon, sulfur or nitrogen atom may be oxidised;

HET2 is an optionally substituted 8-, 9- or 10-membered, unsaturated, partially or fully saturated bicyclic heterocyclyl ring containing up to four heteroatoms independently selected from O, N and S, [[(]]but not containing any O-O, O-S or S-S bonds[[)]], and linked via a ring carbon atom in either of the rings comprising the bicyclic system;

HET3 is an N-linked saturated bicyclic or tricyclic ring system, containing up to 12 ring atoms including the linking nitrogen atom;

wherein suitable optional substituents on (3-8C)cycloalkyl, (5-12C)bicycloalkyl, (6-12C)tricycloalkyl, AR1, AR2, HET1 and HET2 are 1, 2, 3, 4 or 5 substituents independently selected from phenyl [[(]]optionally substituted with halo, trifluoromethyl, (1-4C)alkyl or (1-4C)alkoxy[[)]], halo, (1-6C)alkyl, halo(1-6C)alkyl, dihalo(1-6C)alkyl, trifluoromethyl, (1-6C)alkoxy, carboxy(1-6C)alkyl, carboxy(1-6C)alkoxy, hydroxy, amino, (1-6C)alkylamino, di(1-6C)alkylamino, -$CONH_2$, –CONH(1-6C)alkyl, -CONdi(1-6C)alkyl, -NHCO(1-6C)alkyl, -$SO_2$(1-6C)alkyl, -$S(O)_2NH_2$, –$SO_2$NH(1-6C)alkyl, -$SO_2$Ndi(1-6C)alkyl and –$NHSO_2$(1-6C)alkyl.

2. (original) A compound as claimed in Claim 1 which is a compound of the formula (IA)



(IA)

or a pharmaceutically acceptable salt thereof, wherein Ar, $R^1$, $R^2$, $R^3$, $R^4$, $R^5$, $R^6$, $R^7$ and $R^8$ have any of the meanings defined in Claim 1.

3. (currently amended) A compound as claimed in Claim 1 ~~or 2~~ or a pharmaceutically-acceptable salt thereof, wherein:

Ar is phenyl optionally substituted with 1, 2, 3, 4 or 5 groups independently selected from $R^9$;

$R^9$ is selected from halo, (1-6C)alkyl [[(]]optionally substituted with 1-5 halo[[)]], (1-6C)alkoxy [[(]]optionally substituted with 1-5 halo[[)]], and cyano;

$R^1$ is selected from hydrogen and (1-6C)alkyl;

$R^2$ is selected from hydrogen, (1-6C)alkyl, (3-8C)cycloalkyl, (5-12C)bicycloalkyl, (6-12C)tricycloalkyl, AR1, HET1, -(1-6C)alkylAR1, -(1-6C)alkylAR2, -(1-6C)alkyl(3-8C)cycloalkyl, -(1-6C)alkylHET1, -(1-6C)alkylHET2, -(1-6C)alkyl$CO_2$(1-6C)alkyl, -(1-6C)alkyl$CO_2$(3-8C)cycloalkyl, -(1-6C)alkyl$CO_2$AR1, -(1-6C)alkyl$CO_2$HET1, -(1-6C)alkylOCO(1-6C)alkyl, -(1-6C)alkylOCO(3-8C)cycloalkyl, -(1-6C)alkylOCOAR1, -(1-6C)alkylOCOHET1, -(1-6C)alkylCO(1-6C)alkyl, -(1-6C)alkylCO(3-8C)cycloalkyl, -(1-6C)alkylCOAR1, -(1-6C)alkylCOHET1, -(1-6C)alkylNHCO(1-6C)alkyl, -(1-6C)alkylNHCO(3-8C)cycloalkyl, -(1-6C)alkylNHCOAR1, -(1-6C)alkylCONH(1-6C)alkyl, -(1-6C)alkylCONH(3-8C)cycloalkyl, -(1-6C)alkylCON-di(1-6C)alkyl, -(1-6C)alkylCONHAR1, -(1-6C)alkylNH(1-6C)alkyl, -(1-6C)alkylN-di(1-6C)alkyl, -(1-6C)alkylNHAR1, -(1-6C)alkylNH(HET1), -(1-6C)alkylNH$SO_2$(1-6C)alkyl, -(1-6C)alkyl$SO_2$NH(1-6C)alkyl, and -(1-6C)alkyl$SO_2$N-di(1-6C)alkyl; or

$R^1$ and $R^2$ may together with the nitrogen to which they are attached form a ring defined by HET1; wherein a ring comprising $R^1$ and $R^2$ is optionally substituted by 1 or 2 substituents independently selected from halo, (1-6C)alkyl, halo(1-6C)alkyl, (1-6C)alkoxy, cyano, carboxy, carboxy(1-6C)alkyl, –CO(1-6C)alkyl, –$CO_2$(1-6C)alkyl, (1-6C)alkylamino, di-(1-6C)alkylamino, –NHCO(1-6C)alkyl, –CONH(1-6C)alkyl, -CONdi-(1-6C)alkyl and HET1;

$R^3$ and $R^4$ are independently selected from hydrogen, (1-6C)alkyl, -(1-6C)alkyl(3-8C)cycloalkyl, -(1-6C)alkyl(3-8C)cycloalkenyl, -(1-6C)alkylAR1, -(1-6C)alkylAR2, -(1-6C)alkylHET1, and -(1-6C)alkylHET2; or

$R^3$ and $R^4$ together form a ring as defined by (3-8C)cycloalkyl, AR2, HET1 or HET2;

$R^5$, $R^6$, $R^7$ and $R^8$ are independently selected from hydrogen and (1-6C)alkyl;

AR1 is optionally substituted phenyl;

AR2 is an optionally substituted 8-, 9- or 10-membered, unsaturated, partially or fully saturated bicyclic carbocylic ring;

HET1 is an optionally substituted 3-, 4-, 5- or 6-membered, unsaturated, partially or fully saturated monocyclic heterocyclyl ring containing up to four heteroatoms independently selected from O, N and S, [[(]]but not containing any O-O, O-S or S-S bonds[[)]], linked via a ring carbon atom, or a ring nitrogen atom if the ring is not thereby quaternised, and wherein any available carbon, sulfur or nitrogen atom may be oxidised;

HET2 is an optionally substituted 8-, 9- or 10-membered, unsaturated, partially or fully saturated bicyclic heterocyclyl ring containing up to four heteroatoms independently selected from O, N and S, [[(]]but not containing any O-O, O-S or S-S bonds[[)]], and linked via a ring carbon atom in either of the rings comprising the bicyclic system;

wherein suitable optional substituents on AR1, AR2, HET1 and HET2 are 1, 2, 3, 4 or 5 substituents independently selected from halo, (1-6C)alkyl, halo(1-6C)alkyl, dihalo(1-6C)alkyl, trifluoromethyl, (1-6C)alkoxy, carboxy(1-6C)alkyl, carboxy(1-6C)alkoxy, hydroxy, amino, (1-6C)alkylamino, di(1-6C)alkylamino, $-CONH_2$, –CONH(1-6C)alkyl, -CONdi(1-6C)alkyl, –NHCO(1-6C)alkyl, $-S(O)_2NH_2$, $–SO_2NH$(1-6C)alkyl, $-SO_2N$di(1-6C)alkyl and $–NHSO_2$(1-6C)alkyl.

4. (currently amended) A compound of the formula (I) as claimed in Claim 1 ~~claim 1 or 2~~ or a pharmaceutically acceptable salt thereof wherein

Ar is phenyl optionally substituted with 1 or 2 groups independently selected from $R^9$;

$R^9$ is selected from halo, methyl, methoxy and trifluoromethyl;

$R^1$ is hydrogen or methyl;

$R^5$ is hydrogen;

$R^6$ is hydrogen;

$R^7$ is hydrogen;

$R^8$ is hydrogen;

$R^3$ and $R^4$ together form a ring as defined by AR2, HET1 or HET2; and

$R^2$ is selected from (1-6C)alkyl, (3-8C)cycloalkyl, (5-12C)bicycloalkyl, (6-12C)tricycloalkyl, AR1, HET1, -(1-6C)alkylAR1, -(1-6C)alkylNHCO(1-6C)alkyl,

-(1-6C)alkylNHCOAR1, -(1-6C)alkylCONH(1-6C)alkyl, -(1-6C)alkylCONHAR1, -(1-6C)alkylNH(1-6C)alkyl, -(1-6C)alkylNHAR1, -(1-6C)alkylNH(HET1), -(1-6C)alkylNHSO$_2$(1-6C)alkyl and -(1-6C)alkylSO$_2$NH(1-6C)alkyl.

5. (currently amended) A compound of the formula (I) as claimed in Claim 1 ~~or 2~~ or a pharmaceutically acceptable salt thereof wherein

Ar is phenyl optionally substituted with 1 or 2 groups independently selected from $R^9$;

$R^9$ is selected from halo, methyl, methoxy and trifluoromethyl;

$R^1$ is hydrogen or methyl;

$R^5$ is hydrogen;

$R^6$ is hydrogen;

$R^7$ is hydrogen;

$R^8$ is hydrogen;

$R^3$ is hydrogen and $R^4$ is selected from -(1-4C)alkyl(3-8C)cycloalkyl, -(1-4C)alkyl(3-8C)cycloalkenyl, -(1-4C)alkylAR1, -(1-4C)alkylAR2, -(1-4C)alkylHET1 and -(1-4C)alkylHET2; and

$R^2$ is selected from (1-6C)alkyl, (3-8C)cycloalkyl, (5-12C)bicycloalkyl, (6-12C)tricycloalkyl, AR1, HET1, -(1-6C)alkylAR1, -(1-6C)alkylNHCO(1-6C)alkyl, -(1-6C)alkylNHCOAR1, -(1-6C)alkylCONH(1-6C)alkyl, -(1-6C)alkylCONHAR1, -(1-6C)alkylNH(1-6C)alkyl, -(1-6C)alkylNHAR1, -(1-6C)alkylNH(HET1), -(1-6C)alkylNHSO$_2$(1-6C)alkyl and -(1-6C)alkylSO$_2$NH(1-6C)alkyl.

6. (currently amended) A compound as claimed in Claim 1 ~~claim 1 or 2~~ or a pharmaceutically acceptable salt thereof wherein

Ar is phenyl substituted with 1, 2 or 3 fluoro;

$R^1$ is hydrogen;

$R^2$ is selected from (1-6C)alkyl, (3-8C)cycloalkyl, (5-12C)bicycloalkyl, (6-12C)tricycloalkyl, AR1, HET1, -(1-6C)alkylAR1, -(1-6C)alkylNHCO(1-6C)alkyl, -(1-6C)alkylNHCOAR1, -(1-6C)alkylCONH(1-6C)alkyl, -(1-6C)alkylCONHAR1, -(1-6C)alkylNH(1-6C)alkyl, -(1-6C)alkylNHAR1 and -(1-6C)alkylNH(HET1), -(1-6C)alkylNHSO$_2$(1-6C)alkyl and -(1-6C)alkylSO$_2$NH(1-6C)alkyl;[[.]]

$R^3$ is hydrogen;

$R^4$ is $CH_2$-AR1, $CH_2$-HET1 or $CH_2$-HET2; and

$R^5$, $R^6$, $R^7$ and $R^8$ are all hydrogen.

7. (currently amended) A compound as claimed in Claim 1 ~~or 2~~ or a pharmaceutically acceptable salt thereof wherein

Ar is phenyl substituted with 1, 2 or 3 fluoro;

$R^1$ is hydrogen;

$R^2$ is hydrogen, (1-4C)alkyl, -(1-4C)alkylAR1 or -(1-4C)alkylCONH(1-4C)alkyl;

$R^3$ is hydrogen;

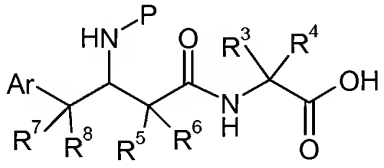
$R^4$ is $CH_2$-AR1 or CH2-HET1; and

$R^5$, $R^6$, $R^7$ and $R^8$ are all hydrogen.

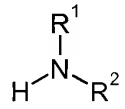
8. (currently amended) A compound as claimed in Claim 5 ~~claim 5, 6 or 7~~ or a pharmaceutically acceptable salt thereof, wherein the carbon atom bearing $R^3$ and $R^4$ has the (R)-configuration.

9. (currently amended) A compound as claimed in Claim 1 ~~claim 1~~ which is selected from
(R)-3-Amino-*N*-((R)-1-benzylcarbamoyl-2-phenyl-ethyl)-4-(2-fluoro-phenyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-((R)-1-methylcarbamoyl-2-phenyl-ethyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-[(R)-1-(methylcarbamoylmethyl-carbamoyl)-2-phenyl-ethyl]-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-((R)-1-methylcarbamoyl-2-thiophen-2-yl-ethyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-[(R)-2-(1*H*-indol-3-yl)-1-methylcarbamoyl-ethyl]-butyramide;
(R)-3-Amino-*N*-[(R)-2-(4-chloro-phenyl)-1-methylcarbamoyl-ethyl]-4-(2-fluoro-phenyl)-butyramide;
(R)-3-Amino-*N*-[(R)-2-(4-methyl-phenyl)-1-methylcarbamoyl-ethyl]-4-(2-fluoro-phenyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-((R)-1-methylcarbamoyl-2-pyridin-3-yl-ethyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-((R)-1-methylcarbamoyl-2-pyridin-4-yl-ethyl)-butyramide;
(R)-3-Amino-*N*-[(R)-2-(4-bromo-phenyl)-1-methylcarbamoyl-ethyl]-4-(2-fluoro-phenyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-((R)-1-methylcarbamoyl-2-thiophen-3-yl-ethyl)-butyramide;
(R)-3-Amino-4-(2-fluoro-phenyl)-*N*-((R)-1-methylcarbamoyl-2-pyridin-2-yl-ethyl)-butyramide;
and
(R)-3-Amino-*N*-(1-carbamoyl-2-furan-2-yl-ethyl)-4-(2-fluoro-phenyl)-butyramide; or a pharmaceutically-acceptable salt thereof.

10. (currently amended) A process for the preparation of a compound of formula (I), or a pharmaceutically acceptable salt thereof, as claimed in Claim 1 ~~claim 1~~ which comprises a) coupling of a compound of formula (II) or an activated derivative thereof, wherein P is an amino protecting group, with a compound of formula (III), followed by removal of the protecting group P;

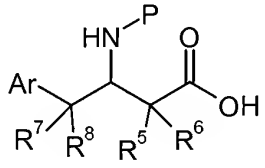


(II)

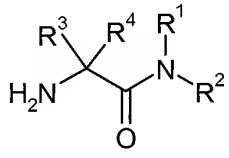


(III)

or b) coupling of a compound of formula (IV) or an activated derivative thereof, wherein P is an amino protecting group, with a compound of formula (V) followed by removal of the protecting group P;



(IV)



(V)

and thereafter if desirable or necessary

(i) converting a compound of formula (I) into another compound of formula (I) using conventional functional group modification; and/or

(ii) optionally forming a pharmaceutically acceptable salt; and wherein Ar, $R^1$, $R^2$, $R^3$, $R^4$, $R^5$, $R^6$, $R^7$ and $R^8$ have any of the meanings defined in Claim 1.

11. (currently amended) A pharmaceutical composition which comprises a compound of formula (I) or (IA) as claimed in ~~any one of claims 1 to 9~~ Claim 1 or a pharmaceutically-acceptable salt thereof, in association with a pharmaceutically-acceptable excipient or carrier.

12-13. (cancelled)

14. (new) A compound as claimed in Claim 6 or a pharmaceutically acceptable salt thereof, wherein the carbon atom bearing $R^3$ and $R^4$ has the (R)-configuration.

15. (new) A compound as claimed in Claim 7 or a pharmaceutically acceptable salt thereof, wherein the carbon atom bearing $R^3$ and $R^4$ has the (R)-configuration.

16. (new) A method for producing an inhibition of DPP-IV activity in a warm-blooded animal, such as a human being, in need of such treatment which comprises administering to said animal an effective amount of a compound of formula (I), as claimed in Claim 1, or a pharmaceutically-acceptable salt thereof as defined hereinbefore.

17. (new) A method of treating diabetes mellitus in a warm-blooded animal, such as a human being, in need of such treatment which comprises administering to said animal an effective amount of a compound of formula (I) or a pharmaceutically-acceptable salt thereof as claimed in Claim 1.